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ABSTRACT

This National Head Start Association booklet outlines the main provisions of the Personal Responsibility and Work Opportunity Act and describes how it may affect local Head Start Programs. The document is intended to serve as a starting point for local programs, parents, administrators and policy workers to discuss and plan how Head Start will continue to provide quality services in a new welfare environment. Funding changes in assistance to low income families and the resulting implications for work requirements, parent participation, Child Development Associate Program, job training, transportation costs, and medical and dental screening are discussed. Other topics covered include: the effects of the bill on child care, Food Stamp Program, child support, child nutrition programs, Title XX Social Services Block Grant, Supplemental Security Income (SSI), and immigrant children. Recommendations are made about planning and coordination of programs, resources, and funding. (MT)

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NATIONAL HEAD START ASSOCIATION

The Personal Responsibility and Work Opportunity Act of 1996: What Welfare Reform Means for Head Start

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INTRODUCTION

The National Head Start Association (NHSA) is a membership organization composed of Head Start staff, parents, and community members who are supportive of the program and its efforts to improve the lives of children and families. NHSA strives to:

- Advocate for the provision of quality services to the Head Start community;
- Advocate for measures that support the development of children;
- Advocate for measures that assist parents to meet the needs of their families and to become economically self-sufficient; and
- Develop and disseminate research, information, and resources that impact child- and family-orientated legislation and Head Start program delivery.

NHSA believes that local Head Start programs are an invaluable resource for any attempt to promote and facilitate the path from welfare to self-sufficiency. Head Start policies and programs have remained committed to providing the guidance needed to help children and families become self-sufficient and proceed up and out of the cycle of poverty. In 1994, NHSA advocated these benefits of Head Start to support families during the process of welfare reform:

- Ensure that families on public assistance are able to meet their basic needs so they have the time and incentive to prepare for the job market.

- Ensure that employment wages and benefits are adequate to support a family and provide for future growth.

- Ensure that there are "real" jobs that provide opportunities for security and adequate training as families make the transition from welfare to work.

- Ensure that there is a system to provide "quality" child care to recipients not only while they are in training, but continuing long enough after training so parents do not have to quit work to care for their children.

In 1997, NHSA continues to advocate for Head Start children and families faced with welfare reform by encouraging legislation that allows the helping hand of welfare to truly begin to unwind the cycle of poverty. Recently, the U.S. House of Representatives and Senate agreed to a compromise version of House Resolution 4 (H.R. 4), originally proposed during the fall of 1995 as the Personal Responsibility and Work Opportunity Act (the Act). Although President Clinton signed the legislation, he has pledged to "fix" portions of the Act he finds flawed.

In this document, NHSA will outline the main provisions of the Act and describe how it may impact local Head Start programs. This document should serve as a starting point for local programs, parents, administrators, and policy makers to discuss and plan how Head Start will continue to provide quality services in a new welfare environment.

THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY ACT (Welfare Reform)

This document explains the Act, focusing on provisions that may impact Head Start children, families, staff, and programs. Following each description is a list of possible effects the Act may have on the Head Start community.

ASSISTANCE TO LOW-INCOME FAMILIES

This portion of the Act abolishes federal programs that provide cash and non-cash assistance to low-income children and families. Aid to Families with Dependent Children (AFDC), JOBS (the work/training program for welfare recipients), and Emergency Assistance are replaced by nationally capped state block grants. States receiving these Temporary Assistance to Needy Families (TANF) block grants may assist families with cash, services, or vouchers, but children/families are no longer entitled to receive assistance if they meet the state's categorical and income guidelines. In addition, the majority of TANF families on the rolls for five cumulative years would become ineligible for federal assistance, with states having the option to reduce that time limit. States may apply for bonus funds if they spend low amounts per welfare recipient, reduce their rate of out-of-wedlock births, or experience high rates of unemployment. States are no longer required to match federal funds with state funds, but must demonstrate family assistance spending equal to 75 percent of what they spent on similar programs in 1994.

Individuals receiving benefits under TANF must meet new work requirements. States must ensure that a minimum percentage of their clients (which increases 5 percent per year) participate in work activities, and adults must work a minimum number of hours per week, depending on marital status, to be considered "participating." Recipients can apply only 12 months of vocational education toward the work requirement, and only 20 percent of the state's caseload can participate in vocational education to meet their work requirements. Beginning in 1999, individuals may satisfy participation requirements by 20 hours of work, with the remaining required hours met through work-related or high-school equivalency education. Parents with children under 6 cannot be penalized if they cannot find or afford child care and therefore cannot work. But if recipients' children are older than 6, their assistance and/or Medicaid may be reduced if they do not work. Teen mothers may receive assistance if they live at home or in an adult-supervised setting and must participate in high school, alternative education, or training as soon as their child is 12 weeks old.

The effect of this portion of the Act on some Head Start families is severe. Every family currently receiving AFDC, participating in JOBS training, or utilizing Emergency Assistance will be affected.

HEAD START IMPLICATIONS.....

- Because assistance is no longer an entitlement, states may choose to deny assistance due to economic conditions, declining state revenues, family circumstances, etc. States may also transfer a portion of the TANF to other block grant programs. Head Start families may face uncertainty regarding their benefits and eligibility, and staff may spend a lot of time helping families meet basic needs when/if assistance is interrupted or terminated. This uncertainty may harm family functioning, which in turn could affect children's attendance, parent participation, etc.

- States are not required to provide cash assistance and, in some communities, the service delivery system is minimal or nonexistent; in such cases vouchers or services in lieu of cash would be useless. Without cash assistance, families in these areas would not be able to access transportation to areas where services are available. Therefore, increased demands may be placed on Head Start staff to become "service brokers" for families.
- The work requirement does not exempt certain adults based on disability, age of child, caretaking for a disabled child, or responsibility for a terminally ill family member. Many children with disabilities participate in Head Start only with the assistance of their parents. Parents train staff on care of their child, provide additional supervision, transport them to therapy, and assist their child in making the social and emotional adjustment to the program. If these parents are forced to work, Head Start's ability to serve disabled children may be more limited.
- Every state may not have a comprehensive, seamless case management infrastructure to assist families whose severe needs prevent them from obtaining and/or sustaining employment. Head Start staff may need to work closely with local governments to case-manage families experiencing domestic violence, homelessness, substance abuse, and/or mental illness. As Head Start completes family needs assessments with all families, arrangements could be made to share this information with a case worker, avoiding time duplicated on data collection and providing more comprehensive coverage to families receiving TANF assistance.
- Parent participation in Head Start is vitally important to ensure the quality and local ownership of the program. Local programs may need to increase flexibility so parents can continue to participate regardless of their work requirement.
- Each year, Head Start trains individuals to become child care providers through its Child Development Associate (CDA) program. This program may need to expand to accommodate additional welfare recipients required to attend job training.
- No additional funding is available for the job training and education needed by welfare recipients to prepare them for employment that pays a family-supporting salary. Head Start families may need more education and training to qualify for benefits and obtain employment, but may find these programs increasingly hard to access due to rising demand.
- Transportation costs for local Head Start programs may increase because many parents may be unavailable to transport their children to Head Start and/or to wrap-around day care if they are working or in school.
- Since employment is required, parents may earn wages that disqualify them from receiving welfare and Medicaid benefits. If their employers do not offer health insurance, Head Start may be forced to pay the cost of medical and dental screenings for enrollees without Medicaid or health insurance.
- Head Start provides comprehensive training and assistance that encompasses all facets of self-sufficiency and career development. Head Start programs could qualify as training assistance so that welfare recipients could meet that portion of their work requirement.

CHILD CARE

Families are no longer guaranteed child care assistance if they need it to participate in work or training; it is estimated that child care funds will fall $2.4 billion short of the new demand if all states meet their welfare work targets. There is also no guarantee of transitional child care for former welfare participants who leave welfare due to earnings. Also eliminated are child care funds for families "at risk" of needing assistance if they don't receive a child care subsidy. The Act combines new child care funding with the Child Care Development Block Grant (CCDBG), retains CCDBG's health and safety guidelines, and replaces a current CCDBG set-aside for quality, supply, and consumer education with $38 million less for those activities. Families can continue to access child care funds if they exceed the five-year limit on the welfare block grant.

HEAD START IMPLICATIONS.....

- Head Start, private providers, and state programs must partner to increase the supply of affordable, quality, and convenient child care. If child care is not coordinated and seamless, Head Start enrollment may decline as parents are forced to place all their children in one program regardless of quality or supplemental services. Fifty percent of single parents will be forced to work 30 hours per week by the year 2002, leaving the care of their children to an already overburdened child care system.
- Child care assistance may or may not be available to families who are working or in school, so Head Start programs must adjust their hours and months of operation to accommodate parents' employment, training, and education.

FOOD STAMPS

Under the Act, funding for Food Stamps will decline by $23 billion over six years. Deductions for families who pay more than 50 percent of their income for housing will be capped. Adjustments have been made to the low-cost food budget used to determine recipient benefits; recipients' benefits will decline. Recipients without children must meet a new work requirement and will be ineligible if after three months they aren't working or participating in an employment training program. The penalties for fraud are increased and states are given the option to require parents to cooperate with child-support enforcement agencies in order to receive food stamps.

Many Head Start families benefit from Food Stamp assistance in the form of cash and/or vouchers and will be greatly affected by these changes.

HEAD START IMPLICATIONS.....

- "According to the Center for Budget and Policy Priorities, households with incomes half the poverty line ($7,800 for a family of 4) or below will absorb half of the cuts."[1] The 1995 median income for Head Start families was approximately $7,000, so many families will be faced with reduced benefits.
- Families will be less able to afford the food they need to survive; Head Start staff may spend more time helping families access emergency food assistance. Children may come to the program hungrier and more of their nutritional needs may have to be met through center meals. This, combined with reductions in child nutrition programs, means Head Start programs may need to increase their nonsubsidized food budget to cover increased demand.

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[1] Children's Defense Fund. (1996). *Summary of the Welfare Bill.* Washington, DC.

CHILD SUPPORT

The Act builds on successful state models of child support enforcement by strengthening the means to track down noncustodial parents and enforce awards across state lines. In order to have a TANF program, a State must agree to operate a Child Support Enforcement program as well. States' Child Support Enforcement Programs must assist single-parent families in establishing paternity and establishing child support payment orders under which the noncustodial parent must contribute on a regular basis. States will be allowed to restrict issuance of driver's, recreational, and professional licenses of parents who don't pay their support.

HEAD START IMPLICATIONS.....

- Head Start programs serve many single parents who are not receiving their child support award and who cannot afford an attorney to legally enforce it. These provisions of the Act will be beneficial to Head Start families because states will have increased mechanisms to enforce awards and track down parents who don't pay.
- In order to receive public assistance under TANF, an applicant first must agree to cooperate with their state Child Support Enforcement program in establishing paternity and in establishing and enforcing child support payment orders for their children. An applicant for TANF assistance can be excused from this prerequisite cooperation if they can demonstrate "good cause" such as fear of domestic violence.

CHILD NUTRITION PROGRAMS

Funding for the Child and Adult Care Food Program (CACFP) will decline by $3 billion over six years. Aid may be eliminated to family day care providers who themselves are not low income or who don't reside in a low-income geographical area. Reimbursement rates for the Summer Food Program are reduced and School Breakfast startup and expansion grants are eliminated. In addition, child care centers won't have the option of serving an additional meal or snack to children who are in care for more than eight hours per day.

Head Start programs provide breakfast, lunch, and/or snacks to millions of low-income children every day. Programs are reimbursed through CACFP for the subsidized meals served to each qualifying child. The cost of feeding children who do not qualify is absorbed by local programs. As families often use family day care providers as "wrap-around" care, in combination with Head Start, so they can attend school or work, CACFP cuts will drastically affect Head Start families and programs.

HEAD START IMPLICATIONS.....

- "These reductions are likely to force CACFP sponsors serving hundreds of thousands of children to drop out of the program, reducing nutrition aid to poor children in family day care" (Children's Defense Fund). Head Start families who utilize family day care will have to pay for their children's meals or find a different provider who lives in a "low-income area" in order to qualify for subsidized meals.
- Head Start is required to feed children nutritious meals. With less CACFP reimbursement, programs may have larger costs for nonsubsidized meals and may have to increase their budget in this area.

TITLE XX SOCIAL SERVICES BLOCK GRANT

According to the Act, services funded under this block grant may be expanded from child care to services for the elderly. However, funds will be reduced by 15 percent, which may force cutbacks in services for children and families. States may shift 10 percent of their Family Assistance Block Grant to this block grant and may also use the funds to give vouchers to families that have exceeded their time on welfare benefits.

The impact of this portion of the Act on Head Start is difficult to predict, given the tremendous flexibility states will have for funding and utilizing this block grant.

SUPPLEMENTAL SECURITY INCOME (SSI)

SSI provides cash assistance to low-income families of children with disabilities. Currently, SSI eligibility is determined by income, medical condition, and the child's present level of functioning compared with children of similar age. Eligibility will now be based on income and on childhood disability definitions called medical listings. The Congressional Budget Offices estimates that the new definitions will mean more than 300,000 children will be denied SSI by the year 2002 and will lose Medicaid unless they qualify on other grounds. Children with autism, mental illness, TB, mental retardation, or head injuries may no longer qualify for SSI.

Head Start programs are mandated to offer 10 percent of their enrollment opportunities to children with disabilities. Currently, Head Start eligibility based on disability is more liberally defined than SSI; Head Start enrolls many children it considers disabled who are ineligible for SSI.

HEAD START IMPLICATIONS.....

- Head Start programs may see increasing numbers of children whom they consider disabled but who are ineligible for SSI benefits and/or Medicaid. Families of these children may not have the resources to care for their children at home. These families may have to make difficult choices: institutionalize their child or place him or her in foster care; face unemployment or underemployment to stay home and care for their child; move to a more affordable area or remain in a school district that has the necessary services for the child. Head Start social services staff may need to work harder with these families to meet their needs and will have to form partnerships with local and state resources so families can obtain assistance.
- SSI is most often used by eligible families to meet basic needs, but is also used for special expenses related to the child's disability including transportation, adaptive furniture, assistive technology, adapted toys and learning materials, and family support services.[2] Often, a child needs the above items to participate in Head Start and these items are paid for by the parent, using SSI benefits. However, if a parent does not have SSI to purchase these items/services or if donations cannot be obtained, Head Start programs are required to pay for anything deemed necessary for a child's participation by his or her Individual Education Plan. It is possible that Head Start programs may be serving more disabled children who are not eligible for SSI and may therefore have to purchase more of this type of equipment directly.

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[2] Consortium for Citizens with Disabilities. (1996). *Testimony on Children's SSI Program for the Subcommittee on Human Resources, Committee on Ways and Means, U.S. House of Representatives.* Washington: DC.

IMMIGRANT CHILDREN

Most children of legal aliens will be denied SSI or Food Stamps even if they currently receive these benefits. Legal aliens will also be barred from receiving non-emergency income-based federal assistance for five years after their arrival, and states may decide to deny welfare, social services, and Medicaid benefits to legal aliens.

Traditionally, Head Start programs have not queried enrollees regarding residency status but have based eligibility solely on income and locally defined needs criteria. Head Start programs in states with high numbers of migrant, alien, and transitional populations serve children of legal aliens, so these changes will have a large impact on programs.

HEAD START IMPLICATIONS.....

- Head Start staff work closely with local and state agencies to help families access the services they need. Staff may now have to ask about residency status prior to referring families for any public assistance programs and, if they are legal aliens, attempt to locate services in an already burdened private service delivery system.
- Head Start families who are legal aliens may face sudden benefit termination, forcing them to move abruptly, live without sufficient food and resources, and limit their medical care. Head Start is required to fund enrollees' basic medical and dental screenings if Medicaid, private insurance, or community donations are unavailable. If states choose to deny Medicaid to legal immigrants, Head Start may have to form partnerships with private agencies to service families, or may have to pay directly for these screenings.

RECOMMENDATIONS

In light of the passage of the Act, NHSA will work with the U.S. Department of Health and Human Services to ensure that local Head Start programs are given the regulatory, monitoring and fiscal flexibility necessary to operate effectively in the new welfare environment. NHSA will also continue to work with Congress, if the Act is amended, to ensure that changes are positive for the Head Start community. Finally, NHSA is making the following recommendations to its membership on how to begin working within the new welfare environment. The disruptive impacts of the changes can be minimized if Head Start staff, parents, and communities work together to plan for the future.

1. In every state, a lead agency[3] must develop and submit a plan for utilizing their Family Assistance, Child Care and Development, and Social Services block grants to the Department of Health and Human Services. The Act provides an important opportunity for states and communities to plan a more cohesive family assistance system. Contact your State Head Start Association to ensure that Head Start staff and parents are part of state-level discussions on how these funds will be utilized.
2. Inform Head Start parents about the provisions of the Act and devise plans for your local program to meet the changing needs of families.

[3] Such as the Michigan Department of Social Services, the California Health and Welfare Agency, etc.

3. Utilize your Community Needs Assessment to identify strengths and gaps in services and determine how your local Head Start program may fit into a comprehensive local service delivery system.
4. When applying for addition funding for expansion, quality and/or training and technical assistance, keep in mind the changing environment that families and staff will be facing under welfare reform. Families may need different types of services and staff may need additional training.
5. Develop and/or expand links to promote comprehensive services for families in the following areas:

- Health
- Family Support Services
- School and Youth Programs
- Employment Services
- Transportation
- Housing
- Child Support Enforcement
- Child Welfare
- Nutrition

6. Continue to broaden your funding base by applying for private grants, conducting fundraisers, and working with local businesses.
7. Contact regularly NHSA's Legislative Hotline at 703/739-0879 for updated information on legislation and advocacy efforts.
8. Call your State Head Start Association for the name of their advocacy point-person. Work closely with him/her for updated information and share it with staff and parents.
9. At the state or local level, negotiate an agreement that Head Start parent training be allowed to meet recipients' job training requirements.
10. Offer Head Start sites for meetings related to welfare reform, job training sessions, educational classes, and/or out-placement of social services staff.
11. Create new ways for parents to become involved during evenings and weekends and develop more send-home materials and activities that cover all aspects of the Head Start program.

If you have questions or need additional information, please contact NHSA's Government Affairs Division at 703/739-0875.

National Head Start Association Publications

The National Head Start Association produces a variety of publications to assist Head Start parents and staff. Your agency library should not be without any of these valuable resources. (This is a partial list of publications available through NHSA).

Ordering Is Easy!

YES! Place my order for these NHSA publications.

Title	Members	Others	Quantity	Total
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P106 Voter Participation and Lobby Guide	$5	$7		
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